

ORIGINAL

OPEN MEETING ITEM

COMMISSIONERS
DOUG LITTLE - Chairman
BOB STUMP
BOB BURNS
TOM FORESE
ANDY TOBIN



0000170134

RECEIVED
ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

DATE: MAY 6, 2016

2016 MAY 6 AM 9 55

DOCKET NO.: WS-02676A-11-0134

TO ALL PARTIES:

Enclosed please find the recommendation of Administrative Law Judge Scott M. Hesla. The recommendation has been filed in the form of an Order on:

RIO RICO UTILITIES, INC. DBA LIBERTY WATER
(ORDER EXTENDING TIME DEADLINE IN DECISION NOS. 72732 AND 74383)


Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Administrative Law Judge by filing an original and thirteen (13) copies of the exceptions with the Commission's Docket Control at the address listed below by **4:00** p.m. on or before:

MAY 16, 2016

The enclosed is NOT an order of the Commission, but a recommendation of the Administrative Law Judge to the Commissioners. Consideration of this matter has tentatively been scheduled for the Commission's Open Meeting to be held on:

JUNE 14, 2016 AND JUNE 15, 2016

For more information, you may contact Docket Control at (602) 542-3477 or the Hearing Division at (602) 542-4250. For information about the Open Meeting, contact the Executive Director's Office at (602) 542-3931.


JODI A. JERICH
EXECUTIVE DIRECTOR

Arizona Corporation Commission

DOCKETED

MAY 06 2016

DOCKETED BY



1200 WEST WASHINGTON STREET; PHOENIX, ARIZONA 85007-2927 / 400 WEST CONGRESS STREET; TUCSON, ARIZONA 85701-1347

www.azcc.gov

This document is available in alternative formats by contacting Shaylin Bernal, ADA Coordinator, voice phone number 602-542-3931, E-mail SABernal@azcc.gov.

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 **COMMISSIONERS**

3 DOUG LITTLE - Chairman
4 BOB STUMP
5 BOB BURNS
6 TOM FORESE
7 ANDY TOBIN

8 IN THE MATTER OF THE APPLICATION OF
9 RIO RICO UTILITIES, INC. D/B/A LIBERTY
10 WATER FOR AN EXTENSION OF ITS EXISTING
11 CERTIFICATE OF CONVENIENCE AND
12 NECESSITY TO PROVIDE WATER UTILITY
13 SERVICE IN SANTA CRUZ COUNTY ARIZONA.

DOCKET NO. WS-02676A-11-0134

DECISION NO. _____

ORDER EXTENDING TIME
DEADLINE IN DECISION NOS.
72732 AND 74383

11 Open Meeting
12 June 14 and 15, 2016
13 Phoenix, Arizona

14 **BY THE COMMISSION:**

15 * * * * *

16 Having considered the entire record herein and being fully advised in the premises, the
17 Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

18 **FINDINGS OF FACT**

19 1. In Decision No. 72732 (January 6, 2012), the Commission approved the application of
20 Rio Rico Utilities, Inc. ("Rio Rico" or "Company") to extend its existing Certificate of Convenience
21 and Necessity ("CC&N") to provide water service in Santa Cruz County, Arizona.

22 1. As part of Decision No. 72732, the Commission ordered Rio Rico to file within two
23 years of the effective date of that Decision a copy of the Approval to Construct ("ATC") from the
24 Arizona Department of Environmental Quality ("ADEQ") for the plant necessary to serve the Palo
25 Parado development.

26 2. Based on the effective date of Decision No. 72732, the original deadline for filing a
27 copy of the ATC was January 6, 2014.

28 3. Decision No. 74383 (March 19, 2014) subsequently extended the January 6, 2014
deadline to January 6, 2016.

4. On February 4, 2016, the Company filed a Motion for Extension of Time to Comply with Decision No. 74383 ("Motion") requesting that the deadline for filing a copy of the ATC be extended from January 6, 2016, to January 6, 2018. The Company attached to its Motion a letter from the developer (Windward Partners XIV, LLC) stating that the requested extension is necessary because "residential development in Santa Cruz County is at a complete standstill." The developer further states that low prices for residential lots and a continued lack of demand is currently precluding the planned development of Palo Parado at this time.

5. On April 19, 2016, Staff filed a Memorandum stating that it does not object to the Company's request for an extension of time, and recommends a 10-year extension of time for filing a copy of the ATC.

6. The delay in the development of Palo Parado is not atypical of other developments in Arizona over the past few years. The developer remains committed to the Palo Parado project and supports the Company's requested extension of time to file a copy of the ATC. Under the circumstances, we believe that it is reasonable to grant a 10-year extension of time for the Company to file a copy of the ATC, as recommended by Staff.

CONCLUSIONS OF LAW

1. Rio Rico Utilities, Inc. is a public service corporation within the meaning of Article XV of the Arizona Constitution and A.R.S. §§ 40-281 and 40-282.

2. The Commission has jurisdiction over Rio Rico Utilities, Inc. and the subject matter of the Motion.

3. The extension of time to comply with the requirements of Decision Nos. 72732 and 74383, as discussed herein, is fair and reasonable and in the public interest.

...

...

...

...

...

...

ORDER

IT IS THEREFORE ORDERED that the deadline for Rio Rico Utilities, Inc. to file a copy of the Approval to Construct, as required by Decision Nos. 72732 and 74383, is hereby extended until January 6, 2026.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

CHAIRMAN

COMMISSIONER

COMMISSIONER

COMMISSIONER

COMMISSIONER

IN WITNESS WHEREOF, I, JODI JERICH, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this _____ day of _____ 2016.

JODI JERICH
EXECUTIVE DIRECTOR

DISSENT _____

DISSENT _____
SMH:ru

1 SERVICE LIST FOR:

RIO RICO UTILITIES, INC. DBA LIBERTY WATER

2 DOCKET NO.:

WS-02676A-11-0134

3 Jay L. Shapiro

SHAPIRO LAW FIRM, P.C.

4 1819 E. Morten Avenue, Suite 280

Phoenix, AZ 85020

5 Attorneys for Liberty Utilities (Rio Rico Water & Sewer) Corp.

6 Janice Alward, Chief Counsel

Legal Division

7 ARIZONA CORPORATION COMMISSION

1200 West Washington Street

8 Phoenix, AZ 85007

9 Thomas Broderick, Director

Utilities Division

10 ARIZONA CORPORATION COMMISSION

1200 West Washington Street

11 Phoenix, AZ 85007